

**United States Bankruptcy Court
Western District of North Carolina**

MONTHLY STATUS REPORT

IN RE: THE HAMMOCKS, LLC *dba* Richmond Hill Inn

CASE NO: 09-10332

Reporting Period:

FROM: DECEMBER 1, 2009

TO: DECEMBER 31 2009

I certify under penalty of perjury that the information contained in the attached Monthly Status Report consisting of 21 pages (including exhibits and attachments) is true and correct to the best of my knowledge and belief.

Dated: 1/19/10 William H. [Signature]
Debtor Representative

I certify that I have reviewed the information contained in the attached Monthly Status Report consisting of ____ pages and based on my knowledge of this case and the debtor's financial and business affairs, this Monthly Status Report is accurate, complete, and does not contain any misrepresentation of which I am aware. I further certify that this report has been served on all parties as required by law or court order.

Dated: 1/25/2000 [Signature]
Attorney for Debtor

NARRATIVE ON PROGRESS OF CASE:

[illegible]

PAYMENTS TO SECURED CREDITORS

☐ No Secured Debt

☒ No Secured Debt Payments Made During Reporting Period

☐ All Secured Debt Payments Made During Reporting Period Are Listed Below:

CREDITOR	COLLATERAL	DATE OF PAYMENT	AMOUNT
		AMOUNT	\$

PAYMENTS ON PRE-PETITION DEBT

☒ No payments have been made on pre-petition unsecured debt during the reporting period.

☐ All payments made on pre-petition unsecured debt during reporting period are listed below:

CREDITOR	COLLATERAL	DATE OF PAYMENT	AMOUNT

CASH RECEIPTS AND DISBURSEMENTS

BEGINNING CASH POSITION is the same figure as the **ENDING CASH POSITION** of prior month.

BEGINNING CASH POSITION

DATE: 12-1-2009 AMOUNT: \$ 688 20

CASH RECEIPTS	AMOUNT	CASH DISBURSEMENTS	AMOUNT
Description		Description	
LOAN FROM EMILY	20000.00		
TRANSFER FROM PETTY CASH	2125.35	Inventory Purchased	643.70
UTILITY REFUNDS	252.63	Salaries/Wages	7746.44
SALES - 2 MVGS	26.67	Taxes (Total)	9599.08
		Insurance (Total)	97.71
		Unsecured Loan Payments	
		Utilities (Total)	16,294.96
		Rent	
		Professional Fee RESNEXUS	140.00
		KELWERY MEDIA	575.00
		Maintenance/Repair	334.92
		Maintenance/Repair	
		OTHER DISBURSEMENTS (List)	
		CREDIT CARD FEES	1165.37
		MISC	43.76
		GOOGLE ADWORDS	799.3
		MASSAGE EXPENSE	155.00
TOTAL CASH RECEIPTS	22,404.65	TOTAL DISBURSEMENTS	36,875.81

ENDING CASH POSITION

DATE: 12-31-2009 AMOUNT: \$ (13,782.96)

BANK ACCOUNTS

ALL BANK STATEMENTS MUST BE ATTACHED
FOR EACH ACCOUNT. PLEASE REPRODUCE THIS PAGE
AND COMPLETE A SEPARATE PAGE FOR EACH ACCOUNT.
ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank:

CAROLINA FIRST

Address:

200 COLLEGE STREET

Street and/or P. O. Box Number

Asheville

NC

28806

City

State

Zip Code

Type of Account:

(i.e., Payroll, Tax, Operating):

NEW D/I/P OPERATING

Account Number:

7102489680

DATE PERIOD BEGINS:

12-1-2009

Ending Balance (per the attached
bank statement for this period)

\$ (14,982.89)

Outstanding Deposits and Other
Credits Not On Statement

\$

Outstanding Checks and Other
Debits Not On Statement

\$

Ending Reconciled Balance*

\$ (14,982.89)

DATE PERIOD ENDS:

12-31-2009

Highest Daily Balance

During Above Period

\$ (14,982.89)

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.

1/17/10 at 16:22:24.03

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The Hammocks, Inc. LLC
Account Reconciliation
As of Dec 31, 2009
000-1004 - CAROLINA FIRST-GENERAL
Bank Statement Date: December 31, 2009

Beginning GL Balance	(14,926.89)
Add: Cash Receipts	
Less: Cash Disbursements	
Add (Less) Other	(56.00)
Ending GL Balance	(14,982.89)
Ending Bank Balance	(14,982.89)
Add back deposits in transit	
Total deposits in transit	
(Less) outstanding checks	
Total outstanding checks	
Add (Less) Other	
Total other	
Unreconciled difference	0.00
Ending GL Balance	(14,982.89)



7102489680 31 I

THE HAMMOCKS LLC
DBA RICHMOND HILL INN
87 RICHMOND HILL DRIVE
ASHEVILLE NC 28806

November 30, 2009 - December 31, 2009 Account Number 7102489680 Page 1 of 1
No enclosures

FREE BUSINESS CHECKING

Summary

7102489680

Previous Balance	+ Deposits Credits	- Checks Debits	- Service Charges	+ Interest Credits	New Balance
-14,926 89	0 00	56 00	0 00	0 00	-14,982 89

31 Days in Statement Period

Described Debits

Date	Description	Amount
12-02	OVERDRAFT FEE Insufficient funds NSF/OD Effective Date 12/01/09	36 00
12-02	CAROLINA FIRST ISYS FEE 000447731021010 RICHMOND HILL INN	20 00
Total Described Debits		\$56.00

Daily Balance Summary

Date	Balance	Date	Balance
11-30 Beginning Balance	-14,926 89	12-02 Ending Balance	-14,982 89

BANK ACCOUNTS

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AND COMPLETE A SEPARATE PAGE FOR EACH ACCOUNT.
ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank: SUNTRUST BANK
Address: P.O. Box 622227
Street and/or P. O. Box Number
ORLANDO FL 32862-2227
City State Zip Code
Type of Account: TAX
(i.e., Payroll, Tax, Operating):
Account Number: 10000 944 3284

DATE PERIOD BEGINS: 12-1-2009

Ending Balance (per the attached bank statement for this period)	\$ <u>89.95</u>
Outstanding Deposits and Other Credits Not On Statement	\$ <u>0</u>
Outstanding Checks and Other Debits Not On Statement	\$ <u>0</u>
Ending Reconciled Balance*	\$ <u>89.95</u>

DATE PERIOD ENDS: 12-31-2009

Highest Daily Balance
During Above Period \$ 121.76

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

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1000094493284
12/31/2009



Account Statement

|||||

THE HAMMOCKS LLC DIP
TAX ESCROW ACCOUNT
CASE 09 10332
87 RICHMOND HILL DR
ASHEVILLE NC 28806-3912

Questions? Please call
1-800-786-8787

WE UNDERSTAND THE CURRENT CHALLENGES OF THE ECONOMY AND WE WANT TO PROVIDE YOU WITH THE TOOLS TO CONTINUE TO STAY ON SOLID GROUND IN THE NEW YEAR. AS A THANK YOU WE ARE INCREASING THE DAILY PURCHASING LIMIT ON YOUR BUSINESS CHECKCARD TO \$7500. SO YOU CAN TAKE CARE OF BUSINESS WITH YOUR BUSINESS CHECKCARD.

Account Summary	Account Type	Account Number	Statement Period
	FREE BUSINESS CHECKING	1000094493284	12/01/2009 - 12/31/2009

Description	Amount	Description	Amount
Beginning Balance	\$121.70	Average Balance	\$94.12
Deposits/Credits	\$26.67	Average Collected Balance	\$93.29
Checks	\$0.00	Number of Days in Statement Period	31
Withdrawals/Debits	\$58.42		
Ending Balance	\$89.95		

Deposits/ Credits	Date	Amount	Serial #	DEPOSIT	Date	Amount	Serial #
	12/29	26.67					
Deposits/Credits: 1				Total Items Deposited: 1			

Withdrawals/ Debits	Date Paid	Amount	Serial #	Description
	12/16	36.00		NSF RETURNED ITEMS PENALTY
	12/16	22.42		ELECTRONIC/ACH DEBIT
				IRS USATAXPYMT 270975000488197
Withdrawals/Debits: 2				

Balance Activity History	Date	Balance	Collected Balance	Date	Balance	Collected Balance
	12/01	121.70	121.70	12/29	89.95	63.95
	12/16	63.28	63.28	12/30	89.95	89.95

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The Hammocks, Inc. LLC
Account Reconciliation
As of Dec 31, 2009
000-1007 - SUNTRUST-TAX D/I/P
Bank Statement Date: December 31, 2009

Beginning GL Balance	121.70
Add: Cash Receipts	26.67
Less: Cash Disbursements	(22.42)
Add (Less) Other	(36.00)
Ending GL Balance	89.95
Ending Bank Balance	89.95
Add back deposits in transit	
Total deposits in transit	
(Less) outstanding checks	
Total outstanding checks	
Add (Less) Other	
Total other	
Unreconciled difference	0.00
Ending GL Balance	89.95

BANK ACCOUNTS

ALL BANK STATEMENTS MUST BE ATTACHED
FOR EACH ACCOUNT. PLEASE REPRODUCE THIS PAGE
AND COMPLETE A SEPARATE PAGE FOR EACH ACCOUNT.
ATTACH BANK STATEMENT TO CORRESPONDING PAGE.

Name of Bank: SUNTRUST BANK
Address: P.O. Box 62227
Street and/or P. O. Box Number
ORLANDO FL 32862-2227
City State Zip Code

Type of Account:
(i.e., Payroll, Tax, Operating): OPERATING

Account Number: 10000 9449 32.76

DATE PERIOD BEGINS: 12-1-2009

Ending Balance (per the attached
bank statement for this period) \$ 11,666.79

Outstanding Deposits and Other
Credits Not On Statement \$ 403.08

Outstanding Checks and Other
Debits Not On Statement \$ 10,959.89

Ending Reconciled Balance* \$ 1109.98

DATE PERIOD ENDS: 12-31-2009

Highest Daily Balance
During Above Period \$ 16,072.22

* The sum of the ending balances of all accounts must reconcile with the Ending Cash Position on the Cash Receipts and Disbursements page.

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1000094493276
12/31/2009



Account Statement

XX

THE HAMMOCKS LLC DIP
CASE 09 103320
87 RICHMOND HILL DR
ASHEVILLE NC 28806-3912

Questions? Please call
1-800-786-8787

WE UNDERSTAND THE CURRENT CHALLENGES OF THE ECONOMY AND WE WANT TO PROVIDE YOU WITH THE TOOLS TO CONTINUE TO STAY ON SOLID GROUND IN THE NEW YEAR. AS A THANK YOU WE ARE INCREASING THE DAILY PURCHASING LIMIT ON YOUR BUSINESS CHECKCARD TO \$7500. SO YOU CAN TAKE CARE OF BUSINESS WITH YOUR BUSINESS CHECKCARD.

Account Summary	Account Type	Account Number	Statement Period
	FREE BUSINESS CHECKING	1000094493276	12/01/2009 - 12/31/2009

Description	Amount	Description	Amount
Beginning Balance	\$14,366.55	Average Balance	\$13,325.85
Deposits/Credits	\$24,997.32	Average Collected Balance	\$12,672.56
Checks	\$19,783.43	Number of Days in Statement Period	31
Withdrawals/Debits	\$7,913.65		
Ending Balance	\$11,666.79		

Deposits/ Credits	Date	Amount	Serial #	Date	Amount	Serial #
	12/01	156.10		12/17	10,000.00	
	12/01	642.26		12/29	49.35	
	12/02	2,076.00		12/30	90.00	
	12/09	10,000.00		12/30	162.63	
	12/01	856.18				
	12/01	964.80				

Deposits/Credits: 10

Total Items Deposited: 4

Checks	Check Number	Amount	Date Paid	Check Number	Amount	Date Paid	Check Number	Amount	Date Paid
	1480	432.50	12/01	1491	894.48	12/02	1503	75.00	12/16
	1481	260.00	12/09	1492	823.39	12/07	1504	81.25	12/15
	1482	991.85	12/01	1493	560.00	12/01	1505	1,067.16	12/14
	1483	240.00	12/01	1494	155.00	12/03	1506	9.46	12/16
	1484	99.73	12/08	1495	2,060.02	12/08	✖1508	575.00	12/23
	1485	479.81	12/07	1496	3,572.77	12/08	1509	229.50	12/14
	1486	567.73	12/02	1497	643.70	12/04	1510	42.50	12/16
	1487	1,054.91	12/07	✖1499	63.25	12/16	✖1515	2,194.92	12/29
	1488	475.03	12/04	1500	191.25	12/09	1516	322.92	12/29
	1489	624.83	12/01	1501	107.50	12/15	✖1518	112.00	12/31
	1490	453.59	12/08	1502	241.63	12/18	1519	80.75	12/30

Checks: 33

✕Break in check sequence

Withdrawals/ Debits	Date Paid	Amount	Serial #	Description		
	12/01	1,073.37		ELECTRONIC/ACH DEBIT MERCHANT SERVICE	8015343539	8015343539
	12/02	22.22		ELECTRONIC/ACH DEBIT AUTHNET GATEWAY BILLING		17508878
	12/07	79.93		ELECTRONIC/ACH DEBIT GOOGLE ADWORDS		8788370

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

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1000094493276
12/31/2009



Account Statement

Withdrawals/ Debits	Date Paid	Amount	Serial #	Description
	12/08	150.87		ELECTRONIC/ACH DEBIT MERCHANT SERVICE 8015343539 8015343539
	12/16	97.71		ELECTRONIC/ACH DEBIT AUTO-OWNERS INS. PREM CB011020860
	12/16	1,141.00		ELECTRONIC/ACH DEBIT NC DEPT OF REVEN WHOLDING 4934914003572
	12/16	3,926.73		ELECTRONIC/ACH DEBIT NC DEPT OF REVEN SALES&USE 4934914003571
	12/24	140.00		CHECK CARD PURCHASE TR DATE 12/21 RESERVATION NEXUS 801-6231796 UT
	12/31	101.82		ELECTRONIC/ACH DEBIT CHARTER COMMUNIC CHARTER CO 0210850545
	12/31	1,180.00		ELECTRONIC/ACH DEBIT CHARTER COMMUNIC CHARTER CO 0210311977

Withdrawals/Debits: 10

Balance Activity History	Date	Balance	Collected Balance	Date	Balance	Collected Balance
	12/01	13,063.34	13,063.34	12/15	11,669.50	11,669.50
	12/02	13,654.91	13,654.91	12/16	6,313.85	6,313.85
	12/03	13,499.91	13,499.91	12/17	16,313.85	6,313.85
	12/04	12,381.18	12,381.18	12/18	16,072.22	16,072.22
	12/07	9,943.14	9,943.14	12/23	15,497.22	15,497.22
	12/08	3,606.16	3,606.16	12/24	15,357.22	15,357.22
	12/09	13,154.91	3,154.91	12/29	12,888.73	12,888.73
	12/10	13,154.91	13,154.91	12/30	13,060.61	12,808.61
	12/14	11,858.25	11,858.25	12/31	11,666.79	11,666.79

1/17/10 at 16:29:52.84

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The Hammocks, Inc. LLC
Account Reconciliation
As of Dec 31, 2009
000-1006 - SUNTRUST-GENERAL D/I/P
Bank Statement Date: December 31, 2009

Beginning GL Balance		15,493.39
Add: Cash Receipts		20,655.71
Less: Cash Disbursements		(35,778.01)
Add (Less) Other		738.89
Ending GL Balance		<u>1,109.98</u>
Ending Bank Balance		11,666.79
Add back deposits in transit		
	Dec 31, 2009	<u>403.08</u>
Total deposits in transit		403.08
(Less) outstanding checks		
	Dec 15, 2009	(2,540.84)
	Dec 31, 2009	(575.64)
	Dec 4, 2009 1479	(38.79)
	Dec 3, 2009 1498	(13.30)
	Dec 15, 2009 1512	(1,945.67)
	Dec 28, 2009 1513	(3,564.13)
	Dec 28, 2009 1514	(1,655.52)
	Dec 29, 2009 1517	(222.92)
	Dec 31, 2009 1520	<u>(403.08)</u>
Total outstanding checks		(10,959.89)
Add (Less) Other		
Total other		
Unreconciled difference		<u>0.00</u>
Ending GL Balance		<u><u>1,109.98</u></u>

SALARY/COMMISSION/INDEPENDENT CONTRACTOR PAYMENTS

Insiders* (List name(s) and describe type of insider):

NAME	TYPE	AMOUNT PAID
		\$
		\$
		\$
		\$
		\$
		\$

Non-Insider Employees

Type (i.e., Salaried, Wage)

	AMOUNT PAID
SALARIED	\$ 2094.48
WAGE	\$ 5651.96
	\$
	\$

Commission/Bonus Payments:

	\$
	\$
	\$
	\$

Independent Contractors:

NAME	TYPE	AMOUNT PAID
		\$
		\$
		\$
		\$

**Total Salary/Wage/Commission/
Payments**

\$ 7746.44

* "Insider" is defined in 11U.S.C.
Sec101(31)

SALES/ACCOUNTS RECEIVABLE

- I. Accounts Receivable Pending As of: 12-31-2009
(Date of Reporting Period)
- II. Sales (gross) During Reporting Period: 25.00
- III. Collections of Accounts Receivable During Reporting Period: \$ 0
- IV. New Accounts Receivables Generated During Reporting Period: \$ 0

Pending Pre & Post Petition	Total	Collectible	Uncollectible
0-30 DAYS	\$ 0	\$ 0	\$ 0
31-60 DAYS	\$ 0	\$ 0	\$ 0
61-90 DAYS	\$ 625.58	\$ 0	\$ 625.58
91-120 DAYS	\$ 150.87	\$ 0	\$ 150.87
120 DAYS AND OVER	\$ 2018.43	\$ 0	\$ 2018.43
TOTAL	\$ 2794.88	\$ 0	\$ 2794.88

INVENTORY (Cost Basis)

Beginning Date: _____ Ending Date: _____

LIST BY CATEGORY OF INVENTORY USED FOR PRODUCTION OR RESALE*:

CATEGORY	BEGINNING	USED	ADDED	ADJUSTED	ENDING
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
	\$	\$	\$	\$	\$
TOTALS	\$	\$	\$	\$	\$

*Exclude capital items such as machinery and equipment and consumable items such as fuel and general supplies

ACCRUED POST-PETITION LIABILITIES

No accrued liabilities existed at the end of this reporting period.

X

All accrued liabilities existing at the end of this reporting period are listed below or on the sheet (s) attached. Exclude current liabilities which are NOT past due

NAME OF CREDITOR	DUE DATE	AMOUNT DUE
Asheville ELEVATOR	9-30 / 11-30-09	510.00
City of Asheville - Water	12-20-2009	1421.35
Emmarrh	12-20-2009	280.66
Emmarrh Leasing	12-20-2009	2478.58
DELTA.com	8-17-2009	1347.67
FRANK RICE JR	9-30 / 10-31-09	402.50
MT FOOD	11-30-2009	582.10
SOUTHERN FOODS	OCT/NOV 2009	1912.21
TAY SSENKRUP	APRIL / JULY 09	1015.32
WEBB CHEMICAL	JULY / NOV 09	568.66
YELLOWBOOK USA	APRIL / JULY 09	833.00
TAXES		
SALES TAX - NOV. 09	12-20-09	2310.78
Room TAX - NOV 09	12-20-09	1119.88
STATE WITH - NOV 2009	12-15-09	914.06
PAYROLL TAXES - NOV 2009		4978.06
SUTA - OCT/NOV 2009	1-31-2010	1061.18
SALES TAX - DEC 09	1-20-2010	192

Total Accrued Liabilities

\$ 21,742.69

AFFIRMATIONS

1. Yes ☒ No ☐ All tangible assets of this bankruptcy estate are adequately and properly insured and all other insurance required by law or prudent business judgment are in force.
2. Yes ☐ No ☐ All insurance policies and renewals if applicable, have been submitted to the Bankruptcy Administrator.
3. Yes ☒ No ☒ All tax returns have been filed timely and payments made. Copies of returns have been filed post-petition have been submitted to the Bankruptcy Administrator.
4. Yes ☐ No* ☒ All post-petition taxes have been paid or deposited into a designated tax account.
5. Yes ☒ No ☐ New Debtor-In-Possession (DIP) bank accounts have been opened and have been reconciled.
6. Yes ☒ No ☐ New DIP financial books and records have been opened and are being maintained monthly and are current.

* If the response is "no", a listing must appear on the Accrued Post-Petition Liabilities sheet. The listing must include the name of the taxing authority, type of tax, the amount due and the period the tax was incurred.

I UNDERSTAND THE MICHELS HAVE OBTAINED
INSURANCE FOR THE PROPERTY

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA**

IN RE:)	09-10332/Chapter 11 Proceeding
)	
THE HAMMOCKS, LLC d/b/a)	CERTIFICATE OF SERVICE
Richmond Hill Inn,,)	
)	
Debtor.)	

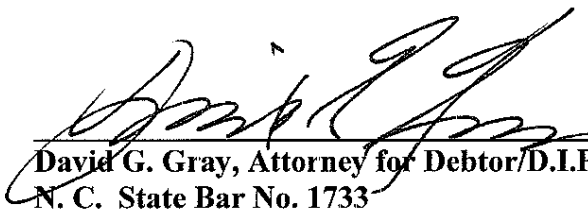
The undersigned certifies that copy of Monthly Status Report for the month of December, 2009 has been served by first class mail in a properly addressed envelope with adequate postage affixed on each of the following parties:

Bankruptcy Administrator
402 West Trade Street, Room 200
Charlotte NC 28202-1669

Internal Revenue Service
320 Federal Place
Greensboro NC 27401

Securities & Exchange Commission
Atlanta Regional Office
3475 Lenox Road, Ste. 1000
Atlanta GA 30326-1232

This the 25th day of January, 2010.



David G. Gray, Attorney for Debtor/D.I.P.
N. C. State Bar No. 1733

WESTALL, GRAY, CONNOLLY & DAVIS, P.A.
81 Central Avenue
Asheville, North Carolina 28801
Tel: (828) 254-6315
Fax: (828) 255-0305